

City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
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TO: Calvin Trent, Director
Department of Health and Wellness Promotion

FROM: Irvin Corley, Jr., Fiscal Analysis Director

24.

DATE: April 27, 2009

RE: 2009-2010 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2009-2010 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Joseph Harris, Finance Director
Pamela Scales, Budget Director
Alia Moss, Budget Manager
Arese Robinson, Mayor's Office

Department of Health and Wellness Promotion (25)

FY 2009-2010 Budget Analysis by the Fiscal Analysis Division

Summary

The Health and Wellness Department is a General Fund agency. However, 73% of the department's funding comes from state and federal funds.

The mission of the Health and Wellness Department is to provide and assure the delivery of health services, which promote health, well-being, prevention and control the spread of disease. The department operates the Herman Kiefer Health Complex that includes a primary care center, three other primary care centers throughout the city, the Animal Control Center, and is responsible for the Food Sanitation Program.

The recommended 2009-2010 budgeted operating appropriations total \$84.65 million, a \$3.11 million decrease over the current fiscal year. The department's 2009-2010 net tax cost is \$9.04 million, a decrease of \$6.4 million, over the current fiscal year's net tax cost.

The budget recommends a net decrease of 69 positions - 72 general fund and 3 new grant funded - for a recommended agency total of 335 positions.

2008-2009 Surplus/Deficit

The Mayor anticipates the Health and Wellness Department will end up with a \$3.39 million surplus. This is made up of an appropriations surplus of \$4.29 million offset by a revenue deficit of \$900,000. The surplus is due to vacant positions.

Overtime

The department's current year budget contains an overtime budget of \$69,383. As of March 31, 2009, \$139,995 was spent on overtime.

The recommended overtime budget for FY 2009-2010 is \$77,724.

Personnel and Turnover Savings

<u>Appropriation/Program</u>	<u>Budgeted</u>	<u>Filled</u>	<u>Mayor's</u>	<u>Over/(Under)</u>
	<u>Positions</u>	<u>Positions</u>	<u>Budget</u>	<u>Actual to</u>
	<u>FY 2008-09</u>	<u>03/31/2009</u>	<u>FY 2009-10</u>	<u>08/09 Budget</u>
Dept. of Health & Wellness Promotion (25):				
250010 Administration	15	9	10	(6)
250020 Duplication & Delivery	2	2	2	0
250050 Vital Records	12	11	12	(1)
250060 Biostatistics	14	11	9	(3)
00068 Administration	43	33	33	(10)
250340 Epidemiology	21	20	15	(1)

	Budgeted	Filled	Mayor's	Over/(Under)
	Positions	Positions	Budget	Actual to
<u>Appropriation/Program</u>	<u>FY 2008-09</u>	<u>03/31/2009</u>	<u>FY 2009-10</u>	<u>08/09 Budget</u>
Dept. of Health & Wellness Promotion (25):				
250345 Immunization - General Fund	8	5	4	(3)
250350 STD Control	8	6	8	(2)
00070 Communicable Disease Control	37	31	27	(6)
250470 Laboratory	30	22	16	(8)
250480 Pharmacy	6	7	6	1
00073 Technical Support Services	36	29	22	(7)
00074 Primary Family Care	4	4	3	0
250180 Public Nursing-Adm.-Community	4	4	4	0
250190 Community Nursing Svc.-Community	16	10	6	(6)
250200 Infant Death Reduction-Community	12	10	7	(2)
250210 Medicaid Screening-Community	10	8	8	(2)
250270 School Vision & Hearing	3	2	2	(1)
250700 Medical Social Work	4	2	2	(2)
00077 Community Health Services	49	36	29	(13)
00078 Substance Abuse	5	4	3	(1)
00410 Nutrition Services	7	5	4	(2)
10836 Lead Abatement	6	6	6	0
10889 Grace Ross Center	7	6	7	(1)
10890 Northeast Center	11	9	9	(2)
10892 Herman Keifer Family Center	9	6	8	(3)
10893 Animal Control Center	25	23	21	(2)
10894 Community & Industrial Hygiene	12	11	11	(1)
10895 Food Sanitation	24	19	20	(5)
12496 WIC Supplemental Food 9/2009	66	54	0	(12)
12499 Childhood Lead Prev-CDC 6/2009	5	4	0	(1)
12500 Childhood Lead (MDCH) 9/2009	5	4	0	(1)
12507 Bio-Terrorism Emerg Prep 9/2009	1	0	0	(1)
12508 Bio-Terrorism Laboratory 9/2009	1	1	0	0
12511 CSHCS Outreach & Advocacy 9/2009	10	8	0	(2)
12513 Family Planning 9/2009	6	6	0	0
12514 Immunization Action Plan 9/2009	6	4	0	(2)
12517 Local Maternal & Children BG 9/2009	9	8	0	(1)
12520 Nurse/Partnership 9/2009	7	4	0	(3)
12523 STD Control 9/2009	10	7	0	(3)
12529 Healthy Start Initiative 7/2009	3	1	0	(2)
12816 WIC Supplemental Food 9/2010	0	0	67	0
12829 Childhood Lead Prev CDC 6/2010	0	0	6	0
12821 Childhood Lead (MDCH) 9/2010	0	0	4	0
12828 Bio-Terrorism Emerg Prep 9/2010	0	0	2	0
12829 Bio-Terrorism Laboratory 9/2010	0	0	0	0
12832 CSHCS Outreach & Advocacy 9/20	0	0	10	0
12834 Family Planning 9/2010	0	0	6	0
12836 Immunization Action Plan 9/2010	0	0	6	0
12838 Laboratory Services 9/2010	0	0	3	0

Appropriation/Program	Budgeted	Filled	Mayor's	Over/(Under)
	Positions	Positions	Budget	Actual to
	FY 2008-09	03/31/2009	Positions FY 2009-10	08/09 Budget
Dept. of Health & Wellness Promotion (25):				
12839 Local Maternal & Children BG 9/2010	0	0	12	0
12842 Nurse/Partnership 9/2010	0	0	5	0
12845 STD Control 9/2010	0	0	8	0
12851 Healthy Start Initiative 7/2010	0	0	3	0
25XXXX Leave of Absence	0	11	0	0
25XXXX Worker's Comp.	0	(1)	0	0
25XXXX Unmatched Positions	<u>0</u>	<u>7</u>	<u>0</u>	<u>0</u>
TOTAL	<u>404</u>	<u>340</u>	<u>335</u>	<u>(64)</u>

Below is a detailed account of the recommended position cuts by title and by fund. The chart also indicates which positions are filled and will necessitate layoffs. The department's salary and wage accounts are reduced by \$2.8 million.

Appropriation/Cost Center	Title	Fund	Delete/Add	Layoff	Vacant	New
00068 - Administration						
20010 - Administration	Administrative Specialist I	GF	(1)	1		
	Senior Stenographer	GF	(2)	1	1	
	Office Assistant III	GF	(2)	1	1	
250060 - Biostatistics	Manager I	GF	(1)			
	Senior P.H. Educator	GF	(1)			
	Admin Asst GD III	GF	(1)		1	
	Admin Asst GD II - Health	GF	(1)	1		
	Office Assistant III	GF	(1)	1		
00070 - Communicable Disease Control						
250340 - Epidemiology	Public Health Nurse - Comm Disease	GF	(1)	1		
	Sr Public Health Nurse	GF	(4)	4		
	Office Assistant II	GF	(1)	1		
250345 - Immunization-General Fund	Supervising Community Health Asst	GF	(1)		1	
	Sr Community Health Asst.	GF	(1)		1	
	Pharmacy Technician	GF	(1)	1		
	Principal Comm Services Asst	GF	(1)		1	
250350 - STD Control	Sr. Public Health Nurse	GF	(1)	1		
	Medications LPN	GF	1	1		
	Medical Laboratory Technician	GF	(1)		1	
	Principal Clerk	GF	(1)	1		
	Office Assistant II	GF	(3)	2	1	
	Clinic Nurse Venereal Disease	GF	5			5
0073 - Technical Support Services						
250470 - Laboratory	Principal Medical Technologist	GF	(3)	1	2	
	Sr Medical Technologist	GF	(6)	3	3	
	Analytical Chemist	GF	(2)	1	1	

Appropriation/Cost Center	Title	Fund	Delete/Add	Layoff	Vacant	New
	Medical Laboratory Technician	GF	(3)	2	1	
250480 - Pharmacy	Pharmacy Technician	GF	1			1
	Office Assistant III	GF	(1)		1	
0074 - Primary Family Care						
250500 - Personal Services Administration	Admin Asst GD II - Health - Ex	GF	(1)	1		
00077 - Community Health Services						
250190 - Community Nursing Services - Com	Public Health Center Admin	GF	(1)	1		
	Sprv Public Health Nurse-Field	GF	(1)		1	
	Sr Public Health Nurse	GF	(1)		1	
	Public Health Nurse	GF	(7)	3	4	
250200 - Infant Death Reduction - Community	Sprv Public Health Nurse - Clinic	GF	(1)	1		
	Public Health Nurse	GF	(2)		2	
	Office Assistant III	GF	(2)	2		
250210 - Medicaid Screening - Community	Sr Community Health Asst	GF	(1)		1	
	Community Health Assistant	GF	(1)		1	
250270 - School Vision & Hearing	Sprv Vision And Hearing	GF	(1)		1	
250700 - Medical Social Work	Social Worker	GF	(2)		2	
00078 - Substance Abuse						
250300 - Substance Abuse Administration	Office Management Assistant	GF	(1)	1		
	Office Assistant III	GF	(1)		1	
250640 - Nutrition Services	Sprv Nutritionist - Grade I	GF	(2)	1	1	
	Nutritionist	GF	(1)		1	
250641 - Grace Ross Center	Public Health Center Admin	GF	(1)		1	
	Principal Clerk	GF	1			1
250642 - Northeast Center	Public Health Center Admin	GF	(1)		1	
	Office Assistant II	GF	(1)	1		
250644 - Herman Kiefer Family Center	Public Health Center Admin	GF	(1)		1	
	Medical Assistant	GF	(1)		1	
	Manager I - Health	GF	1			1
250645 - Animal Control Center	Animal Control Officer	GF	(4)	4		
250646 - Community & Industrial Hygiene	Sr Asst Industrial Hygienist	GF	(1)		1	
250647 - Food Sanitation	Head Public Health Sanitarian	GF	(1)		1	
	Public Health Sanitarian	GF	(2)		2	
	Office Assistant III	GF	(1)	1		
258366 WIC Supplemental 9/2010	Spv Nutritionist I	GR	1			1
258603 - Nurse/Partnership 9/2010	Pub Health Nurse - Mat & Child	GR	(1)		1	
258603 - Nurse/Partnership 9/2010	Office Assistant III	GR	(1)		1	
258587 - STD Control	Medications LPN	GR	(1)		1	
258587 - STD Control	Manager II - Health	GR	(1)		1	
258606 - Laboratory Services 9/2010	Medical Laboratory Technician	GR	2			2
258606 - Laboratory Services 9/2010	Office Assistant II	GR	1			1
258607 - Local Maternal & Child BG 9/2010	Public Health Nurse	GR	3	-	-	3
	Total		(69)	40	44	15

Significant Changes in Funding

- Salary accounts have decreased by \$2.8 million due to staff reductions and benefits decrease by \$822,424.
- The medical-organizations account shows a \$1.8 million increase and this \$51.8 million appropriation is used to contract with the medical programs (such as the substance abuse coordination agency, Medicaid substance abuse, etc.) administered by the community health services activities.
- Contractual services have a net increase of \$3.8 million.
- Operating supplies decrease by \$685,000.
- Operating services including utilities decrease by \$2,291,372.
- Miscellaneous expenses decrease by \$300,000.
- Capital expenditures through G.O. bond obligations decrease by \$1,500,000.

Department of Health & Wellness Promotion (25)

Budgeted Professional and Contractual Services by Activity	FY 2008-09 Budget	FY 2009-10 Recommended	Increase (Decrease)
Administration	\$ 140,000	\$ 114,000	\$ (26,000)
Personal Health Services	1,299,157	1,176,157	(123,000)
Community Health Services	48,500,751	52,626,883	4,126,132
Environmental Health Services	708,232	656,940	(51,292)
Clinical Support Services	429,390	387,979	(41,411)
Total	<u>\$ 51,077,530</u>	<u>\$ 54,961,959</u>	<u>\$ 3,884,429</u>

Significant Revenue Changes

Grant revenues increase by \$3.29 million.

City fees and revenues have a net decrease of \$66,000.

Issues and Questions

1. There were \$6.5 million in general obligation bonds budgeted in the last two fiscal years. The Administration has decided to not sell those bonds at this time. What projects were they to be used for? Has any work begun on these projects? What are the current remaining balances for previous bond balances?
2. Considering that the department currently has 64 vacancies and the recommended cuts total 69, please explain the need for 40 layoffs.

3. How will Animal Control function with 4 less Control Officers?
4. What lab work will not be completed by cutting the group in half (by 14) with seven of the cuts resulting in layoffs?
5. The Community Health general fund appropriation will lose 20 positions out of an existing 49.
6. Why is the account Contractual Services – other increasing by \$1.9 million and the account Medical Organizations increasing by \$1.8 million?
7. The actual clinic revenues for 2007-2008 was \$10.48 million and the 2006-2007 total \$10.45 million and the current year budget is \$12.3 million and the recommendation for 2009-2010 is \$12.2 million. Are these revenues achievable?
8. With the revenue deficit projection at \$900,000 for the current year, what revenues are expected to surplus to cover the annual shortfalls in clinic shortfalls?